

This letter is important and explains the impact of the Acquisition on your DSBP Options and what you need to do. Please read this letter carefully as it requires your immediate attention.

If you are in any doubt about the contents of this letter, or the action you should take, you are recommended to seek your own independent financial advice immediately from a stockbroker, bank manager, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended from time to time), if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

10 May 2021



Dear Participant

Arrow Global Group Deferred Share Bonus Plan ("DSBP") and the recommended cash acquisition of Arrow Global Group plc by Sherwood Acquisitions Limited

DSBP Options

As you know, on 31 March 2021, the boards of Arrow Global Group plc ("**Arrow**") and Sherwood Acquisitions Limited ("**Bidco**") (a newly formed company owned by investment funds managed by TDR Capital LLP) announced that they had agreed on the terms of a recommended cash acquisition pursuant to which Bidco proposes to acquire the entire issued and to be issued share capital of Arrow (the "**Acquisition**").

ACTION REQUIRED: You will need to take action to realise value from your DSBP Options, as this will NOT happen automatically.

You may exercise your Vested DSBP Options before the date of Court Sanction by completing the online exercise instruction which you can find on the Equiniti share portal. It is recommended that you take this action (known as "Choice A") as soon as possible, during Arrow's normal exercise windows.

If you intend to exercise your DSBP Options on Completion, you must complete the online exercise instruction which you can find on the Equiniti share portal as soon as possible, and no later than 5:00pm on 2 July 2021 or any earlier deadline notified to you once the date of Court Sanction is known. It is recommended that you take this action (known as "Choice B") as soon as possible.

If you exercise your DSBP Options after Completion, you must complete the online exercise instruction which you can find on the Equiniti share portal within one month after Court Sanction (known as "Choice C").

Please note that your DSBP Options will lapse one month after Court Sanction (explained further below), and you will not receive any value from your DSBP Options. It is recommended that you take action in respect of your DSBP Options before they lapse. Further details about your choices are explained in section 6 of this letter.

1. Why are we writing to you?

We are writing to explain how the Acquisition will affect your DSBP Options and the decisions you need to make.

Please read everything in this letter and the Appendix carefully. **Their contents are very important.**

If you participate in other Arrow share plans or hold other options or awards under the DSBP you will receive separate letters about the effect of the Acquisition on your other options or awards. Please also read those letters carefully.

Summary of the choices available to you:

Choice A: Exercise your Vested DSBP Options before Court Sanction

- You can exercise your Vested DSBP Options before Court Sanction unless they lapse earlier under the rules of the DSBP. You can exercise your Vested DSBP Options by completing an online exercise instruction on the Equiniti share portal in the usual way.
- On exercise, the Arrow Shares under the Vested DSBP Options will be issued or transferred to you. You will be subject to income tax and social security contributions on the market value of the Arrow Shares on that date, and any applicable fees.
- If your Arrow Shares are sold as part of the exercise process before the Scheme Record Time they will be sold at the market value on the date of sale and the proceeds paid to you via payroll (less any income tax and social security contributions that Arrow is required to withhold and any applicable fees). If you do not sell all of your Arrow Shares before the Scheme Record Time then they will automatically be purchased in the Acquisition.

If you want to make Choice A, you must complete an online exercise instruction on the Equiniti share portal by the applicable deadline.

Choice B: Apply now to exercise your DSBP Options on Completion

- You can elect to exercise your DSBP Options conditional on Completion unless they lapse earlier under the rules of the DSBP. You can exercise your DSBP Options by completing an online exercise instruction on the Equiniti share portal.
- The Arrow Shares which will be issued or transferred to you will then automatically be purchased. You will receive 307.5 pence in cash per Arrow Share via payroll (less any income tax and social security contributions that Arrow is required to withhold and any applicable fees). Alternatively, the Remuneration Committee may determine that on exercise of your DSBP Options you will receive the amount or value represented by those Arrow Shares (the “**Cash Settlement Amount**”) which will be calculated by multiplying 307.5 pence by the number of Arrow Shares which have vested under your DSBP Options (less any income tax and social security contributions).

If you want to make Choice B, you must complete an online exercise instruction on the Equiniti share portal by the applicable deadline.

Choice C: Exercise your DSBP Options up to one month following Court Sanction

- If the Acquisition goes ahead, you can exercise your DSBP Options for one month following Court Sanction unless they lapse earlier under the rules of the DSBP. You can exercise your DSBP Options by completing an online exercise instruction on the Equiniti share portal.
- The Arrow Shares which will be issued or transferred to you will then automatically be purchased. You will receive 307.5 pence in cash per Arrow Share via payroll (less any income tax and social security contributions that Arrow is required to withhold and any applicable fees). Alternatively, the Remuneration Committee may determine that on exercise of your DSBP Options you will receive the Cash Settlement Amount which will be calculated by multiplying 307.5 pence by the number of Arrow Shares which have vested under your DSBP Options (less any income tax and social security contributions).
- If you decide to exercise your DSBP Options under **Choice C**, you will receive the cash proceeds due to you later than under **Choices A or B**.

Your DSBP Options will lapse if not exercised one month following Court Sanction, and you will not receive any value for your DSBP Options.

Further details about your choices are set out in section 6 of this letter.

2. The Acquisition

The Acquisition will result in Arrow and its subsidiaries becoming wholly-owned subsidiaries of Bidco.

The Acquisition will take place through what is called a “scheme of arrangement” (the “**Scheme**”). This is a procedure that is subject to approval by Arrow Shareholders and the Court. In particular, as part of the Acquisition, the Court will sanction the Scheme on a date referred to in this letter as “**Court Sanction**”. Once the date of Court Sanction is known, Arrow will announce this via a Regulatory Information Service (with such announcement being made available on Arrow’s website at <https://www.arrowglobal.net/en/investors.html>).

Court Sanction is not the date on which the Acquisition will be completed. The Acquisition is currently due to complete a couple of days after Court Sanction (“**Completion**”).

Further information about the Scheme is set out in the Scheme Document sent to Arrow Shareholders on 28 April 2021. This letter should be read together with the Scheme Document. A copy of the Scheme Document is also available on Arrow’s website at https://www.arrowglobal.net/en/investors/Offer_for_the_Company.html and on Bidco’s website at <https://www.tdrcapital.com/arrowglobal-offer/>.

You will find a list of definitions in the Appendix which explains the key defined terms used in this letter. Terms defined in the Scheme Document will have the same meaning in this letter unless otherwise defined.

3. What are the terms of the Acquisition?

The terms of the Acquisition are set out in full in the Scheme Document. In summary, Arrow Shareholders will be entitled to receive 307.5 pence in cash for each Arrow Share they own at the Scheme Record Time (the “**Cash Offer**”). As an alternative to the Cash Offer, eligible Arrow Shareholders may elect to receive Rollover Securities in the capital of Topco (the “**Alternative Offer**”).

4. When is Completion due to take place?

The Acquisition is currently expected to take effect in the third quarter of 2021, subject to receipt of the relevant competition clearances and regulatory approvals. An expected timeline of key events is available in the Scheme Document.

5. How will the Acquisition affect my DSBP Options?

You will need to take action to realise value from your DSBP Options as this will not happen automatically. If you do not take any action, your DSBP Options will lapse one month after Court Sanction unless they lapse earlier.

Vested DSBP Options

Normally your Vested DSBP Options would be exercisable up to the tenth anniversary of the date of grant unless they lapse earlier under the rules of the DSBP.

As a result of the Acquisition, the exercise period for your DSBP Options will end early. Your DSBP Options will cease to be exercisable one month after Court Sanction unless they lapse earlier in accordance with the rules of the DSBP, at which point they will lapse if they are not exercised. If you wish to exercise your DSBP Options, an explanation of the steps you will need to take is set out in section 6 below.

If the Acquisition does not happen for any reason, your DSBP Options will continue to be exercisable until their normal lapse date, subject to the rules of the DSBP.

Unvested DSBP Options

The Acquisition will change the usual treatment of your Unvested DSBP Options.

Normally, your DSBP Options would vest and become exercisable on, or as soon as practicable after, the third anniversary of the date of grant (or the date notified in your Award Certificate, if different), and you would be able to exercise your DSBP Options at any time during the exercise period.

However, as a result of the Acquisition, your DSBP Options will vest (if they have not already vested) and become exercisable on Court Sanction, unless they lapse earlier in accordance with their terms. You will have two choices in relation to your Unvested DSBP Options:

- (A) Elect in advance to exercise your DSBP Options conditional on Completion.
- (B) Exercise your DSBP Options within one month following Court Sanction.

If you exercise your DSBP Options, the Arrow Shares you receive will be automatically acquired by Bidco for 307.5 pence in cash for each Arrow Share (less any income tax and social security contributions that Arrow is required to withhold and any applicable fees). Alternatively, if so determined by the Remuneration Committee under rule 4.5 of the DSBP, your DSBP Options will be settled in cash, and you will receive the amount or value represented by those Arrow Shares (the "**Cash Settlement Amount**"). The Cash Settlement Amount will be calculated by multiplying 307.5 pence by the number of Arrow Shares over which your DSBP Options vest, less any income tax and social security contributions. If you wish to exercise your DSBP Options, an explanation of the steps you will need to take is set out in section 6 below.

If the Acquisition does not happen for any reason, your DSBP Options will continue as normal, subject to the rules of the DSBP.

6. What are my choices?

You can elect to exercise your DSBP Options until one month after Court Sanction (subject to any earlier lapse date). You will have the following choices in relation to your DSBP Options. Once you have made a choice you will not be able to change it:

Choice A: Exercise your Vested DSBP Options before Court Sanction

You can elect to exercise your Vested DSBP Options before Court Sanction by completing an online exercise instruction on the Equiniti share portal in the usual way (www.esp-portal.com/clients/arrow). If you exercise your DSBP Options and sell your Arrow Shares on exercise, the Arrow Shares will be sold at the market value on the date of sale and the cash

proceeds will be paid by Arrow as soon as practicable after the date of exercise less any income tax and social security contributions that Arrow is required to withhold and any applicable fees.

However, if you elect to exercise your DSBP Options and hold your Arrow Shares, you will be subject to income tax and social security contributions on the market value of the Arrow Shares on that date. Either a sufficient number of Arrow Shares that you acquire on exercise of your DSBP Options will be sold on your behalf to cover those taxes, or you can pay any income tax and social security contributions directly to Arrow out of funds you already have so that Arrow can account to HMRC (or other tax authority) for taxes due.

The balance of Arrow Shares that you hold at the Scheme Record Time will be acquired by Bidco under the Acquisition. If you elect for the Cash Offer, you will receive 307.5 pence in cash per Arrow Share, and if you elect for the Alternative Offer, you will receive Rollover Securities in the capital of Topco.

If you want to make Choice A, please access the Equiniti share portal (www.esp-portal.com/clients/arrow) and complete an online exercise instruction as soon as possible, during Arrow's normal exercise windows.

Choice B: Apply now to exercise your DSBP Options on Completion

You can elect to exercise your DSBP Options conditional on Completion. If you exercise your DSBP Options, you will receive 307.5 pence in cash per Arrow Share less any income tax and social security contributions that Arrow is required to withhold and any applicable fees. Alternatively, if the Remuneration Committee determines that your DSBP Options will be settled in cash, you will receive the Cash Settlement Amount calculated by multiplying 307.5 pence by the number of Arrow Shares which have vested under your DSBP Options, less any income tax and social security contributions.

If you want to make Choice B, please access the Equiniti share portal (www.esp-portal.com/clients/arrow) and complete an online exercise instruction as soon as possible and no later than 5:00 pm (UK time) on 2 July 2021 or any earlier deadline notified to you once the expected date of Court Sanction is known.

You should check the date on which your Vested DSBP Options lapse before electing for this choice, to make sure they don't lapse before Completion.

Choice C: Exercise your DSBP Options up to one month following Court Sanction

If the Acquisition goes ahead, you will be able to exercise your DSBP Options until one month after Court Sanction unless they lapse earlier under the rules of the DSBP.

If you do this, the Arrow Shares which will be issued or transferred to you will be automatically acquired by Bidco and you will receive 307.5 pence in cash per Arrow Share less any income tax and social security contributions that Arrow is required to withhold and any applicable fees. Alternatively, if the Remuneration Committee determines that your DSBP Options will be settled in cash, you will receive the Cash Settlement Amount calculated by multiplying 307.5 pence by the number of Arrow Shares which have vested under your DSBP Options, less any income tax and social security contributions.

If you decide to exercise your DSBP Options under **Choice C**, you will receive the cash proceeds due to you later than under **Choices A and B**.

If you want to make **Choice C**, you must complete an online exercise instruction on the Equiniti share portal (www.esp-portal.com/clients/arrow) on or after Completion and before your DSBP Options lapse.

If you do not exercise your DSBP Options within one month after Court Sanction, all your DSBP Options will lapse automatically.

7. When will I receive the money?

If you elect **Choice A** and sell your Arrow Shares straightaway, the cash proceeds will be paid by Arrow as soon as practicable after the date of exercise. If you elect **Choice A** and sell your Arrow Shares to Bidco under the Acquisition and elect the Cash Offer, the cash proceeds will be paid by Bidco within 14 days of Completion.

If you elect **Choice B or Choice C**, the cash proceeds due to you will be paid by Arrow as soon as practicable after the date of exercise.

8. Which currency will I receive the cash consideration in?

You will receive the cash proceeds (less any income tax and social security contributions that Arrow is required to withhold and any applicable fees) through payroll in your payroll currency, on the next practicable payroll date.

If your payroll currency is not GBP, the amount per Arrow Share received may vary, depending on the prevailing exchange rate, and any risk associated with this will be taken by you.

9. Can I elect for the Alternative Offer?

The Alternative Offer will only be available if you exercise your Vested DSBP Options before Court Sanction (i.e. **Choice A**).

Please be aware that, as stated in the Scheme Document, there are advantages and disadvantages of electing for the Alternative Offer for individual Arrow Shareholders. The advantages include, but are not limited to, the ability to participate in any future value creation of the Arrow Group. The disadvantages include, but are not limited to, (i) that the Rollover Securities will comprise shares in a private and unquoted company and will, therefore, be illiquid (which means no market for your shares), (ii) that the Rollover Securities are subject to a five year lock-up period and (iii) that the value of the Rollover Securities will at all times be uncertain and there can be no assurance of their future value. Accordingly, no recommendation is made as to whether you should elect for the Alternative Offer.

More details about the Alternative Offer are set out in the Scheme Document.

10. What if the Acquisition does not complete?

If Court Sanction does not happen for any reason, your DSBP Options will continue as normal under the rules of the DSBP.

11. What if I leave employment with the Arrow Group?

If you leave employment with the Arrow Group before exercising your DSBP Options (or if you have already left as a “good leaver”), the leaver provisions under the DSBP will apply in the normal way. This means that:

- (A) If you leave for any reason except for dismissal for cause, your Vested DSBP Options will be exercisable until the earlier of (i) twelve months from the date on which you leave employment and (ii) one month after Court Sanction. If you leave because you are dismissed for cause your Vested DSBP Options will lapse;
- (B) if you do not qualify as a “good leaver” under the rules of the DSBP, any Unvested DSBP Options that you hold will lapse on the date that your employment ceases; or
- (C) if you qualify as a “good leaver” under the rules of the DSBP (for example, if you leave because of injury, disability, retirement, redundancy or any other reason at the discretion of the Remuneration Committee), your Unvested DSBP Options will vest on the earlier of (i) the normal vesting date (unless the Remuneration Committee determines that your Unvested DSBP Options will vest on the date on which you leave employment) and (ii) Court Sanction. Your DSBP Options will be exercisable until one month after Court Sanction; or
- (D) on death, your Unvested DSBP Options will vest on the date of death (unless the Remuneration Committee determines that your Unvested DSBP Options will vest on the normal vesting date). Your DSBP Options will be exercisable until one month after Court Sanction.

Please note: If you leave the Arrow Group before Court Sanction and you do not qualify as a “good leaver”, your Unvested DSBP Options (and, if you are dismissed for cause, any Vested DSBP Options) may lapse before Court Sanction (depending on when it occurs), meaning that any online exercise instruction you have made will not take effect. Your election will not be affected if you qualify as a “good leaver” and your DSBP Options have not otherwise lapsed before Court Sanction.

12. What if I am a PDMR or an insider?

If you are a Person Discharging Managerial Responsibilities (“**PDMR**”) or a restricted person under the Arrow Dealing Code (the “**Dealing Code**”), or you have otherwise been told that the Dealing Code applies to you, you must obtain permission to exercise your DSBP Options under the Dealing Code before you submit an instruction and your instruction must be submitted as soon as possible and in any event within two business days of permission being granted. You can seek permission to deal by following the process set out in Part A of the Dealing Code. However, unless exceptional circumstances exist it is unlikely you will be granted permission to deal whilst you are an insider or, if you are a PDMR or closely associated person of a PDMR, during a closed period.

It is recommended that, if you wish to elect **Choices A or B** and you are a PDMR or a restricted person under the Dealing Code (or you will potentially become one), you take such action as soon as possible.

13. What are the tax implications?

As the tax rules for each country are different, the final amount of tax and social security contributions you will have to pay depends on where you are resident for tax purposes.

UK tax summary

If you exercise any Vested DSBP Options before Court Sanction (**Choice A**), you will receive Arrow Shares. If you exercise any DSBP Options conditional on Completion (**Choice B**); or within one month after Court Sanction (**Choice C**), you will receive Arrow Shares or the Cash Settlement Amount.

You will be subject to income tax and employee's National Insurance Contributions (the "**Tax Liability**") on the market value of those Arrow Shares or, if the Remuneration Committee determines that your DSBP Options will be settled in cash, on the Cash Settlement Amount and on any additional cash amount paid by way of dividend equivalent on the relevant date. While we do not know what the market value of an Arrow Share will be at the relevant time, in order to plan ahead, you may find it useful to note that under the Acquisition Bidco is offering 307.5 pence in cash for each Arrow Share (i.e. **Choice A**).

If you sell the resulting Arrow Shares to Bidco pursuant to the Acquisition and elect the Cash Offer, the Tax Liability will be deducted from the cash proceeds due to you from Bidco. Alternatively, if the Remuneration Committee determines that your DSBP Options will be settled in cash, the Tax Liability will be deducted from the cash proceeds due to you from Arrow.

Current income tax rates for the 2021/2022 tax year are 20% for basic rate taxpayers, 40% for higher rate taxpayers and 45% for additional rate taxpayers. Employee's National Insurance Contributions rates are 12% of earnings between £184 - £967 per week; and 2% of earnings above £967 per week.

If you elect **Choice A and sell your Arrow Shares straightaway**, or if you elect **Choices B or C and receive Arrow Shares**, no capital gains tax ("CGT") is expected to arise because you will have paid the Tax Liability and the amount on which you paid income tax is the base cost of those Arrow Shares. **However, if you elect Choice A, keep your Arrow Shares until the Scheme Record Time and then sell your Arrow Shares to Bidco under the Acquisition**, the excess of the cash proceeds to be paid by Bidco under the Acquisition over the market value of those Arrow Shares on the date of exercise may be subject to CGT to the extent that the excess (together with any other capital gains) exceeds your CGT annual exemption in the relevant tax year. For the tax year ending 5 April 2022, the annual exemption is £12,300.

If your aggregate capital gains are likely to exceed your annual exemption, you are strongly recommended to seek your own independent tax advice.

The above assumes you are resident and domiciled in the United Kingdom at all relevant times, and assumes that you receive cash consideration for your Arrow Shares. A summary of the UK tax treatment if you elect the Alternative Offer (i.e. **Choice A**) is set out in the Scheme Document.

This information is intended as a general guide only and does not constitute tax advice to any individual participant. Please remember that tax law can and often does change, and you should not necessarily assume the current tax position will continue. We strongly recommend that if you

are unsure how your DSBP Options will be taxed you seek advice from an independent financial or tax adviser in your country.

Please note that none of Arrow, Bidco or TDR Capital can provide you with legal, personal tax or financial advice. If you are in any doubt as to the contents of this letter or the action you should take, you are recommended to seek your own independent financial advice immediately from a stockbroker, bank manager, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended from time to time) if you are resident in the United Kingdom, or from another appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.

14. What if I participate in other Arrow share plans?

If you participate in other Arrow share plans you will receive separate letters about the effect of the Acquisition on your other options or awards. Please also read those letters carefully.

15. What if I hold Arrow Shares from the previous exercise of DSBP Options?

If you hold Arrow Shares from previous DSBP Option exercises that are held by Equiniti as nominee, you will be contacted separately by Equiniti. Arrow Shares which are held at the Scheme Record Time will automatically be purchased in the Acquisition for 307.5 pence in cash per Arrow Share (if you elect for the Cash Offer) or exchanged for Rollover Securities in the capital of Topco (if you are eligible and elect for the Alternative Offer). The same is true if you hold share certificates for your Arrow Shares. More detail is included in the Scheme Document.

16. What if I have any questions?

If you have any questions that relate to your DSBP Options, how to access your Equiniti account, what your choices are or how to complete your online exercise request on the Equiniti share portal, please contact the Equiniti helpline on 0371 384 2891. Lines are open 08:30 – 17:30 Monday to Friday, excluding weekends and UK Bank Holidays. Please note that no legal, tax or financial advice on the merits of the Acquisition or its effect on your DSBP Options can be provided.

Details of your DSBP Options are available to view on the Equiniti share portal (www.esp-portal.com/clients/arrow).

To login to your account you will need to do the following:

- Access the share portal at: www.esp-portal.com/clients/arrow.
- Enter your Surname, Date of Birth and your Employee Payroll number.
- Then enter your password (when you first registered you will have been asked to create a password).
- If you have forgotten your password, select 'Forgotten your password?' and you will be asked some security questions before being prompted to re-set your password.

If you are yet to register on the share portal:

- Go to www.esp-portal.com/clients/arrow.
- Click the 'Register' button and enter the information as requested. You will need the following information to register:

- Employee Payroll Number
- Surname
- Date of Birth

Please register using your company email address if possible so that your activation code can be emailed to you immediately following your registration. If you use a personal email address the activation will be posted to you which may cause some delays.

Once logged in to your account you will need to:

- Click the 'My Investments tab'.
- Click 'view' next to 'Discretionary Awards'.
- Once through to the Discretionary Awards sub portal you will see a section called 'Useful Links' below will be a link that says 'Make my corporate action instruction'.
- Follow the on page steps to complete your instruction.

If you experience any difficulties registering or logging in, please contact the Equiniti helpline on 0371 384 2891.

If you are in any doubt as to the effect the Acquisition will have on your personal tax position, you are recommended to seek your own independent financial and/or tax advice.

17. Proposals: Recommendation

The Arrow Directors recommend that you elect either *Choice A or Choice B*. You should, however, consider your own personal circumstances, including your tax position, when deciding your preferred timing for exercising your options.

The Arrow Directors, who have been advised by Numis as to the financial terms of the proposal, consider the terms of the proposals set out in this letter to be fair and reasonable in the context of the Acquisition. In providing this advice to the Arrow Directors, Numis has taken into account the commercial assessments of the Arrow Directors. Numis is providing independent financial advice to the Arrow Directors for the purposes of the City Code on Takeovers and Mergers.

18. Important notes

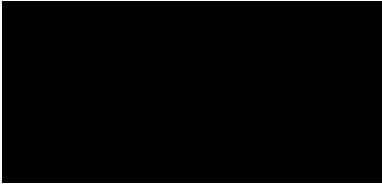
Nothing in this letter or the Appendix constitutes financial advice to any holder of shares, share awards or share options in Arrow or Bidco.

If you have received this letter electronically, you may request a hard copy of this letter, free of charge, by contacting Equiniti on 0371 384 2891. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.

If there is a conflict between the information in this letter and the Appendix and the rules of the DSBP or any relevant legislation, the rules and the legislation will prevail.

If there is a conflict between the English language version of this letter and any translation into a language other than English, the English language version will prevail.

Yours faithfully



For and on behalf of
Arrow Global Group plc

Yours faithfully



For and on behalf of
Sherwood Acquisitions Limited

Appendix

A brief explanation of some definitions

“**Acquisition**” means the proposed acquisition by Bidco of the entire issued, and to be issued, ordinary share capital of Arrow;

“**Alternative Offer**” means the alternative to the Cash Offer pursuant to which Arrow Shareholders (other than Restricted Shareholders) may elect, subject to certain limitations and exceptions, to receive Bidco Loan Notes with a nominal value equal to 307.5 pence for each Arrow Share in lieu of their entitlement to the Cash Offer (such Bidco Loan Notes being exchanged for Rollover Securities pursuant to the Rollover);

“**Arrow**” means Arrow Global Group plc, a company incorporated in England and Wales with registered number 08649661;

“**Arrow Directors**” means the directors of Arrow;

“**Arrow Group**” means Arrow and its subsidiaries and subsidiary undertakings from time to time;

“**Arrow Shareholders**” means the registered holders of Arrow Shares from time to time;

“**Arrow Shares**” means ordinary shares of one penny each in the capital of Arrow;

“**Award Certificate**” means a statement sent to each participant in the DSBP setting out the terms of their DSBP Option, equivalent to their deed of grant.

“**Bidco**” means Sherwood Acquisitions Limited, a company incorporated in England and Wales with registered number 13299321;

“**Bidco Directors**” means the directors of Bidco;

“**Bidco Group**” means Bidco and its direct and indirect subsidiaries including, following completion of the Acquisition, the Arrow Group;

“**Bidco Loan Notes**” means loan notes issued by Bidco pursuant to the Alternative Offer, as further defined in the Scheme Document;

“**Business Day**” means a day (other than a Saturday, Sunday or public or bank holiday) on which clearing banks in London are generally open for normal business;

“**Cash Offer**” means the 307.5 pence in cash Arrow Shareholders will be entitled to receive for each Arrow Share they own at the Scheme Record Time;

“**Cash Settlement Amount**” has the meaning set out in “Your Choices” above;

“**Completion**” means the date on which the Scheme becomes effective in accordance with its terms;

“**Court**” means the High Court of Justice in England and Wales;

“Court Sanction” means the date on which the Court sanctions the Scheme under section 899 of the Companies Act 2006;

“DSBP” means the Arrow Global Group Deferred Share Bonus Plan, as adopted by directors on 5 October 2013 and as amended from time to time;

“DSBP Option” means a right to acquire Arrow Shares granted under the DSBP in the form of a nil-cost option;

“Rollover” means the rollover pursuant to which Arrow Shareholders (other than Restricted Shareholders) who have validly elected for the Alternative Offer will ultimately receive Rollover Securities, as further defined in the Scheme Document;

“Rollover Securities” means rollover ordinary shares of £1 each in the capital of Topco having the rights of “Rollover Shares” set out in the articles of association of Topco (as amended from time to time);

“Scheme” means the procedure by which Bidco will become the holder of the entire issued and to be issued ordinary share capital of Arrow;

“Scheme Document” means the document setting out the terms of the Scheme dated 28 April 2021 sent to Arrow Shareholders;

“Scheme Record Time” means 6:00 p.m. (London time) on the Business Day immediately after the day on which Court Sanction occurs;

“TDR Capital” means TDR Capital IV ‘A’ L.P. and TDR Capital IV Associates L.P. each acting by their manager TDR Capital LLP;

“TDR Capital Responsible Persons” has the meaning set out in the Scheme Document;

“Topco” means Sherwood Topco Limited, a company incorporated in England and Wales with registered number 13299427;

“Unvested DSBP Option” means any DSBP Option which is not a Vested DSBP Option; and

“Vested DSBP Option” means DSBP Options over Arrow Shares granted to employees and former employees of the Arrow Group which have vested and become exercisable subject to the rules of the DSBP.

Notes

The distribution of this document (in whole or in part) in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Numis Securities Limited ("**Numis**"), which is authorised and regulated in the UK by the Financial Conduct Authority, is acting exclusively for Arrow and no one else in connection with the matters set out in this letter and will not regard any other person as its client in relation to the matters in this letter and will not be responsible to anyone other than Arrow for providing the protections afforded to clients of Numis, nor for providing advice in relation to any matter referred to herein.

Numis has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which they are included.

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